

Kaukauna, WI
November 16, 2016

The regular meeting of Kaukauna Utilities Commission was called to order at 4:00 p.m. by President Lee Meyerhofer. Commission Members present were Tom McGinnis, Tom Driessen, Lee Meyerhofer, Gene Rosin, Sue Hennes and Bill Vanderloop. Also present were Mike Kawula, Jeff Feldt, Mike Pedersen, Eric Miller, Don Krause, Kevin Obiala, Denise Vanderloop, Lonnie Fichler, Dave Pahl, and Amy Brick from KU, Steve Engebos, Karen Brooks, Diana Driessen, Attorney Kevin Davidson and Brian Roebke.

It was moved by Tom McGinnis, seconded by Gene Rosin to excuse Commissioner John Moore's absence.

All members voted aye. Motion Carried.

It was moved by Gene Rosin, seconded by Bill Vanderloop to approve the minutes of the October 19, 2016 regular Commission meeting as written.

All members voted aye. Motion Carried.

There was no public comment.

Commissioner John Moore arrived at 4:02 p.m.

Manager of Finance & Administration Mike Kawula discussed the 2017 Operating and Five Year Capital Budgets. Mike informed the Commission there were two significant changes since the proposed budget was presented at the October Commission meeting. Mike stated the Distribution Department added \$800,000 to the 2017 Electric Capital Budget for the Highway N Extension which includes the Nestle Pizza expansion. Mike also stated the Water Department added \$500,000 to the 2017 Water Capital Budget to make upgrades to the Main Filter Plant. They also reduced the Industrial Park Tower Painting from \$550,000 to \$500,000 and moved the tower painting project to 2018.

It was moved by Gene Rosin, seconded by Tom McGinnis to approve the 2017 Electric and Water Operating and Five Year Capital Budgets.

Roll Call Vote:

Gene Rosin	aye
Tom Driessen	aye
Sue Hennes	aye
John Moore	aye
Bill Vanderloop	aye
Tom McGinnis	aye
John Moore	aye
Lee Meyerhofer	aye

Water Superintendent Kevin Obiala discussed the Main Filter Plant Upgrade Project. Kevin informed the Commission that the Main Filter Plant was out of service for inspection and after removing the filter media and gravel, it was determined the filter tank needs repair due to deterioration of the supporting I-beam cross members. Kevin stated there are currently two options (1) replace the filter tank and upgrade the piping and valves with an estimated cost of \$500,000 or (2) completely replace just below the drain and the inlet pipes on the existing filter tank with an estimated cost of \$150,000-\$200,000. Kevin informed the Commission he received an estimate from Wes Tech Filter in the amount of \$167,350 and one from Tonka Water in the amount of \$97,000.

It was moved by John Moore, seconded by Gene Rosin to authorize the General Manager to approve the lowest evaluated bid for the Main Filter Plant Project.

Roll Call Vote:

Lee Meyerhofer	aye
Tom Driessen	aye
Sue Hennes	aye
Gene Rosin	aye
Bill Vanderloop	aye
Tom McGinnis	aye
John Moore	aye

Human Resources Manager Denise Vanderloop discussed the Education Reimbursement and Safety Shoe Policies. Denise informed the Commission the current Education Reimbursement and Professional Credentials Policy allows reimbursement of 50% of the costs up to a maximum amount of \$2,500 per calendar year. Denise stated the proposed change would increase the maximum amount to \$5,250 per calendar year. The increase will help employees pursuing a degree as college credits average \$800.00 per credit plus the cost of books. Denise also discussed the Safety Shoe Policy. Denise informed the Commission the current policy reimburses employees 70% towards the cost of safety shoes in the first year of employment and following years 50% on an annual basis. Denise stated the recommendation is to reimburse all employees 50% towards the cost of safety shoes that meet current ANSI standards annually.

It was moved by Tom McGinnis, seconded by John Moore to authorize the approval of the Education Reimbursement and Professional Credentials Policy and Safety Shoe Policy.

All members voted aye. Motion Carried.

The Commission reviewed the monthly reports.

Staff reports:

Manager of Engineering & Electric Distribution Eric Miller informed the Commission crews have been completing the Public Service Commission (PSC) mandated line inspections and have also de-energized the old City Hall building. Eric stated the meter technicians received their new meter test bench. Eric also stated crews have been assisting the maintenance department with seasonal maintenance projects.

Energy Services Representative Steve Engebos reviewed the September Energy Services Report.

Manager of Human Resources Denise Vanderloop informed the Commission that the completed flex spending and health insurance forms have been turned in. Denise stated she is also reviewing the employee handbook for possible revisions and is currently recruiting for a Billing Clerk and Accounting Supervisor due to the resignation of an employee in the billing department and retirement of the current Accounting Supervisor.

Water Superintendent Kevin Obiala Crews stated crews have been testing meters, completing routine meter exchanges and verifying fire hydrants have been drained for the winter.

Manager of Finance & Administration Mike Kawula stated he has been working with the City to fulfill the requirements of the GASB 45. Mike informed the Commission the customer service staff is working with WPPI Energy preparing for the implementation of AMI metering.

Manager of Information Technology Don Krause informed the Commission that IT has been working with Dave Pahl completing upgrades in the GIS system. Don stated that Time Warner Cable has removed their cable from the old City Hall building and he plans on upgrading the phone system in December.

Manager of Generation & Operations Mike Pedersen stated the restrooms at Hydro Park should be completed in two weeks. Mike informed the Commission that the Elm St. Turbine project has been completed a month early. He also stated the asphalt paving at the Warehouse has also been completed. Gene Rosin asked Mike about the parking lot paving project by the Konkapot Trail. Mike stated the project will be completed next year.

General Manager Jeff Feldt informed the Commission that the Federal Energy Regulatory Commission (FERC) has approved the use of the Traditional License Process (TLP) for the re-licensing of Kimberly Hydro.

Manager of Engineering & Electric Distribution Eric Miller updated the Commission on the CTH ZZ Road Project. Eric stated he and Jeff met with Dean Steingraber the Outagamie County Highway Commissioner, and presented our concerns regarding relocating our pole line due to cost. Eric also updated the Commission on the Nestles Cold Storage Project stating they would like the plant in operation by June 1. Eric stated he is working with Outagamie County Engineering to avoid any conflicts. Eric stated a rough design layout has been approved for the "OO" Substation rebuild and the project is moving forward to complete final designs.

General Manager Jeff Feldt updated the Commission on the organizational changes at MEUW. Jeff also discussed the APPA 2015 Average Revenue per kWh Report. He informed the Commission the

Christmas Party will be January 27 at JJ Maloneys. The APPA Legislative Rally will be February 27 through March 1 in Washington D.C. The Commission should contact Amy if they are interested in attending.

The Commission chose not to adjourn to closed session pursuant to Wis. State Statute 19.85(f) for review of data Kaukauna Utilities is prohibited from making public under Wis. Stat. 196.37, including Kaukauna Utilities Write Off Journal details, Check Register details and Customer Usage and Billing.

It was moved by John Moore, seconded by Tom Driessen to approve the accounts receivable write-offs.

Roll Call Vote:

Lee Meyerthofer	aye
Gene Rosin	aye
Bill Vanderloop	aye
Sue Hennes	aye
John Moore	aye
Tom McGinnis	aye
Tom Driessen	aye

Motion Carried

It was moved by Tom McGinnis, seconded by John Moore that check number 76, 77, 78, 81, 82, 83, 84, 85 and 86 and checks numbered 63716 through 63912 in the amount of \$5,060,728.47 be approved for payment.

Roll Call Vote:

Bill Vanderloop	aye
Tom McGinnis	aye
Lee Meyerthofer	aye
John Moore	aye
Susan Hennes	aye
Gene Rosin	aye
Tom Driessen	aye

Motion Carried

It was moved by John Moore, seconded by Tom McGinnis to adjourn to Closed Session pursuant to Wis. State Statute 19.85(1)(c) to consider employment, promotion, compensation or performance evaluation: Employee Compensation, at 4:42 p.m.

All members voted aye.

Motion Carried

It was moved by Tom McGinnis, seconded by John Moore to return to open session at 5:43 p.m.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Gene Rosin to approve the Proposed Organization Chart as presented and amended by the Personnel Committee.

All members voted aye.

Motion Carried

It was moved by John Moore, seconded by Tom McGinnis to approve the Proposed 2017 Field and Regular Non-Exempt and seasonal Employees 2017 Wage Schedule as presented.

Roll Call Vote:

Lee Meyerthofer	aye
Susan Hennes	aye
Gene Rosin	aye
John Moore	aye
Tom Driessen	aye
Bill Vanderloop	aye
Tom McGinnis	aye

Motion Carried

It was moved by John Moore, seconded by Gene Rosin to approve the Management Exempt Employees 2017 Salary Schedule as presented and amended.

Roll Call Vote:

Tom McGinnis aye
 Susan Hennes aye
 John Moore aye
 Lee Meyerhofer aye
 Bill Vanderloop aye
 Tom Driessen aye
 Gene Rosin aye

Motion Carried

It was moved by John Moore, seconded by Tom McGinnis to approve a Performance Based Retention Agreement for the Manager of Generation & Operations as presented.

Roll Call Vote:

Tom McGinnis aye
 Susan Hennes aye
 John Moore aye
 Lee Meyerhofer aye
 Bill Vanderloop aye
 Tom Driessen aye
 Gene Rosin aye

It was moved by John Moore, seconded by Sue Hennes to approve the General Manager Employment Agreement as proposed to include a 2.5% increase to base wage for 2017 and a \$5,000 cash bonus.

Roll Call Vote:

Tom McGinnis aye
 Susan Hennes aye
 John Moore aye
 Lee Meyerhofer aye
 Bill Vanderloop aye
 Tom Driessen aye
 Gene Rosin aye

It was moved by Tom McGinnis, seconded by Bill Vanderloop to adjourn.

All members voted aye.

Motion Carried

The meeting ended at 5:45 p.m.


 Thomas J. McGinnis
 Secretary

Minutes taken by Amy Brick